

**IOWA RACING & GAMING COMMISSION
MINUTES
MARCH 3, 2016**

The Iowa Racing and Gaming Commission (IRGC) met on March 3, 2016 at The Meadows Event Center, Prairie Meadows Racetrack & Casino (PMR&C), in Altoona, Iowa. Commission members present were Jeff Lamberti, Chair; Carl Heinrich, Vice Chair; and Richard Arnold, Kris Kramer and Dolores Mertz.

Chair Lamberti called the meeting to order at 8:30 AM, and requested a motion to approve the agenda. Commissioner Mertz moved to approve the agenda as submitted. Commissioner Heinrich seconded the motion, which carried unanimously.

Chair Lamberti moved to the approval of the minutes from the January 13-14, 2016 Commission meeting, noting they had been disseminated previously. Commissioner Kramer moved to approve the minutes as submitted. Commissioner Mertz seconded the motion, which carried unanimously.

Chair Lamberti moved to Announcements and called on Brian Ohorilko, Administrator of IRGC. Mr. Ohorilko provided the following information regarding upcoming meetings:

- April 14, 2016 – Ameristar, Council Bluffs, IA (Submissions due by March 31, 2016)
- May 2016 – No Meeting
- June 9, 2016 – Wild Rose Jefferson, Jefferson, IA (Submissions due by May 25, 2016)

He advised the schedule for the Fiscal Year 2017 meetings would be released at the April meeting.

Chair Lamberti moved to the Rules before the Commission for final adoption, and called on Mr. Ohorilko. Mr. Ohorilko advised these are the rules that were before the Commission in November, and there have been no changes. He noted a public hearing was held and the Commission did receive one comment from the Iowa Horsemen's Benevolent and Protective Association (IHBPA) regarding Item 6. The IHBPA feels the rule does not give their members due process. Mr. Ohorilko stated the proposed rule is a very common rule in the industry, and staff has consulted legal counsel and other jurisdictions. He stated the rule gives the betting public the same opportunities as the participants in the race, and is consistent with every other professional sport. Mr. Ohorilko advised staff still recommends approval of that rule. He noted staff had also appeared before the Rules Review Committee and did not receive any comments from them.

Hearing no comments or questions concerning the rules, Chair Lamberti requested a motion. Commissioner Mertz moved to approve the final adoption of the proposed rules. Commissioner Kramer seconded the motion, which carried unanimously.

Chair Lamberti called on Eric Preuss, Program Manager, with the Iowa Gambling Treatment and Prevention Program (IGTPP), with regard to National Problem Gambling Awareness Month.

Mr. Preuss stated the theme for this year is “Have the Conversation”, with the goal of educating the public and healthcare professionals about the warning signs of problem gambling and promote the availability of help and hope both locally and nationally. He noted the IGTPP partners with the Iowa Lottery, Iowa Gaming Association and National Council on Problem Gambling to hold local, regional and statewide activities throughout the month. Mr. Preuss advised the month of March is selected for this designation as it has become one of the biggest gambling occasions due to the NCAA “March Madness” basketball tournament, with approximately \$2.5 billion gambled illegally each year. He also noted that gambling revenue is at an all-time high; and that between 8-12 million people in the United States meet the criteria for gambling problems but only a fraction seek assistance.

Mr. Preuss advised there is growing evidence that a gambling disorder is a brain disease as it modifies how the brain works and shows similarities to the causes and consequences of alcohol and drug problems. Symptoms of a gambling disorder include tolerance, withdrawal, loss of control, preoccupation, gambling when distressed, chasing losses, lying to conceal gambling, jeopardized/lost relationships, and relying on others to relieve desperate financial situations. Mr. Preuss noted problem gambling can happen to anyone; however, seniors, adolescents, college students, athletes and veterans have a higher risk.

With regard to adult gambling rates in Iowa, 87.6% indicate they have gambled in their lifetime; 68.1% in the past 12 months, and 39.1% in the past 30 days. While 1.2% of adult Iowans (29,155) have a gambling disorder, 12.6% (294,222) are “at risk” of developing a gambling disorder. Fifteen percent of Iowans indicate they have been negatively affected by the gambling behavior of someone they know.

Mr. Preuss stated the Iowa Department of Public Health (IDPH) funds ten problem gambling treatment programs covering all 99 counties and services are provided to over 600 Iowans each year. IDPH also funds eleven gambling prevention programs in all 99 counties and over 85,000 Iowans were impacted in FY 2015. The 1-800 Bets Off phone line received 6,311 phone calls in Fiscal Year 2015. Mr. Preuss indicated the program is funded through a state appropriation that has been flat since 2011 at approximately \$3.1 million. He provided additional websites through which individuals can seek help for their gambling problems. Mr. Preuss thanked the Commission for the opportunity to address them regarding problem gambling and their support of the program.

Chair Lamberti asked if the program saw the effects of illegal sports betting or fantasy sports in the individuals contacting them or if there was any kind of trend relating to those activities. Mr. Preuss stated the 2015 study would be released later this spring and would contain information on what they are discovering about the role of fantasy sports. He stated that a high number of individuals experiencing problems related to gambling are also playing illegally or playing fantasy sports.

Commissioner Mertz noted one of his handouts stated that 76,000 sixth, seventh and eighth graders indicated they had gambled and asked what kinds of gambling they were participating in. Mr. Preuss indicated most adolescents bet on sports such as pick-up games, card games with

family as well as fantasy sports. Commissioner Mertz asked if he knew how much money was exchanging hands. Mr. Preuss indicated he did not but indicated the study is available on the IDPH website.

Chair Lamberti called on the Iowa Gaming Association. Wes Ehrecke, President, stated the casinos take problem gambling very seriously and are active participants with the treatment providers. During the week of March 13-18, treatment providers will be on-site at several of the casinos to interact with patrons and facility staff.

Mr. Ehrecke distributed copies of “Building Iowa’s Communities through Philanthropy” which provides highlights of the 2014-2015 County Endowment Fund program and grants made by the casino non-profit organizations. He indicated the program has been in place for ten years, and provides approximately \$130,000 per year to the counties that do not have a casino.

Mr. Ehrecke stated that April 1st will mark the 25th anniversary of riverboat gambling in Iowa. When the legislation was originally passed, Iowa was coming out of a farm crisis, and Legislators were looking for a way to generate tourism and jobs; Mr. Ehrecke feels the industry has exceeded those expectations. Over the years, the industry has provided \$22.6 billion dollars in tax revenues for a variety of projects, and the non-profits have given out over 29,000 grants totaling \$1.4 billion. He noted that a number of employees have been in the industry for a number of years, and 89 have been involved since the start. Mr. Ehrecke also touched on the number of women leaders in the gaming industry.

Mr. Ehrecke stated the Legislature established a regulatory body that has become a model across the country, and noted the Commission understands the business of gaming, has created premier entertainment destinations with a significant amount of investment, and that the Commission is fair and reasonable.

Chair Lamberti moved to the contract approval portion of the agenda and called on Wild Rose Jefferson, L.L.C. (WRJ). Mike Couch, General Manager, presented the following contracts for Commission approval:

- Ziegler – Preventive Maintenance Service Agreement
- Jefferson Telecom – Hosted PBX Service Agreement
- SimplexGrinnell – Fire Alarm, Sprinkler and Extinguisher Testing

Hearing no comments or questions concerning the contracts, Chair Lamberti requested a motion. Commissioner Heinrich moved to approve the contracts as submitted by WRJ. Commissioner Mertz seconded the motion, which carried unanimously.

Chair Lamberti called on Prairie Meadows Racetrack & Casino, Inc. d/b/a Prairie Meadows Racetrack & Casino (PMR&C). Gary Palmer, General Manager, presented the following contracts for Commission approval:

- Associated Computer Services – Computer Backup Equipment and Software

- Electronic Engineering – Radio/Communication System Platform
- ODS Technologies d/b/a TVG Network – Horse Race Advance Deposit Account Wagering Services
- Sportech – Pari-Mutuel Wagering Totalisator Services

Hearing no comments or questions concerning the contracts, Chair Lamberti requested a motion. Commissioner Mertz moved to approve the contracts as submitted by PMR&C. Commissioner Arnold seconded the motion, which carried unanimously.

Chair Lamberti moved to the Excursion Gambling Boat and Gambling Structure License Renewal portion of the agenda and called on Iowa West Racing Association (IWRA) and Ameristar Casino Council Bluffs, LLC (Ameristar). Pete Tulipana, Executive Director of IWRA, stated they have an excellent partnership with Pinnacle Entertainment, Inc. and Caesar's Entertainment. The parties meet regularly, stay connected and are forthright in their conversations about the opportunities and challenges that gaming brings to the community. He noted Pottawattamie County will be celebrating 20 years of gaming in the county; and according to IWRA's records, they have distributed approximately \$350 million. Mr. Tulipana stated Council Bluffs is currently making great strides in redeveloping their side of the riverfront and by the end of the summer there will be a new landing park, which will serve as a gathering place for families and children. Additional development in the area includes an office building, a major townhome/apartment development and two additional condo developments are close to being finalized. Mr. Tulipana stated the Iowa West Foundation is partnering with developers on the office building and will have space in the building.

Mr. Tulipana stated IWRA is committed to a broader reach and their Cities Program recently granted \$900,000 each to the towns of Avoca, Neola and Oakland for the purpose of creating affordable housing. Mr. Tulipana stated that with Ameristar as a partner, IWRA is able to think big and make a transformational impact on southwest Iowa; they have generated some momentum and will be able to continue doing so. He requested approval of Ameristar's license.

Matthew Block, Vice President of Government Relations for Pinnacle Entertainment, concurred with Mr. Tulipana's comments regarding the relationship between the entities. He stated Ameristar achieved their highest market share in 2015 since 2006, allowing them to contribute over \$5 million to IWRA and invest over \$6 million in the property, improving the AV system, audio/video system on the casino floor, and the high limit gaming area. Mr. Block noted the facility saw improvement in their team member satisfaction and guest service scores year over year. He requested approval of their license renewal.

Hearing no comments or questions concerning the license renewal, Chair Lamberti requested a motion. Commissioner Mertz moved to renew the license to conduct gambling games to Iowa West Racing Association, renew the license to operate Ameristar Casino Council Bluffs, LLC as an excursion gambling boat that will not cruise and approve the facility's revised security plan included in the application. Commissioner Kramer seconded the motion, which carried unanimously.

Mr. Block presented the following contracts for Commission approval:

- Council Bluffs Police Department – Law Enforcement Staffing
- M&D Inc. – Vessel Rubberized Decking Replacement
- Trane – Landside Chiller Replacement
- Verizon – Increase LTE Coverage on Boat

Hearing no comments or questions concerning the contracts, Chair Lamberti requested a motion. Commissioner Heinrich moved to approve the contracts as submitted by Ameristar. Commissioner Mertz seconded the motion, which carried unanimously.

Chair Lamberti called on IWRA/ Harvey's Iowa Management Company, Inc. d/b/a Harrah's Council Bluffs Casino and Hotel (Harrah's). Mr. Tulipana advised gaming is the largest employer in southwest Iowa. He noted the industry has generated a significant amount through the hotel/motel tax and the visitors to the community who come to participate in gaming. Mr. Tulipana stated the Iowa West Foundation has selected the area around the MidAmerica Center as one of their major economic development initiatives and hope to develop it into an entertainment district. They are partnering with Caesar's with regard to parking in the area. He noted IWRA would not be able to undertake this economic development without their partnership with Ameristar and Harrah's.

Bo Guidry, General Manager of Harrah's, concurred with Mr. Tulipana's comments, noting the Harrah's team does a great job of communicating with IWRA staff. He stated there are numerous projects taking place in the community and he is excited about the future. Mr. Guidry stated the partnership would continue for many years to come. He requested approval of Harrah's license.

Hearing no comments or questions concerning the license, Chair Lamberti requested a motion. Commissioner Heinrich moved to renew the license to conduct gambling games to Iowa West Racing Association, renew the license to operate Harvey's Iowa Management Company, Inc. d/b/a Harrah's Council Bluffs Casino and Hotel as a gambling structure, and approve the facility's revised security plan included in the application. Commissioner Arnold seconded the motion, which carried unanimously.

Chair Lamberti called on Black Hawk County Gaming Association (BHC GA)/IOC Black Hawk County, Inc. d/b/a Isle Casino Hotel Waterloo (IOC Waterloo). Todd Connelly, General Manager, noted he had been at the property for two months. He stated it is easy to see the impact the funds distributed to the BHC GA have had on the area. He introduced Tim Hurley, Chair of the BHC GA.

Mr. Hurley indicated the partnership between the IOC Waterloo and BHC GA is very successful. He stated Isle of Capri has, are and believes they will always live up to their commitments and are an asset to the community. Mr. Hurley advised that management staff and employees are embedded in the community and volunteer with many organizations. Over the past 12 months, he noted BHC GA has committed over \$4.3 million to 44 projects located in 19 municipalities in Black Hawk County and the six surrounding counties – Butler, Buchanan, Bremer, Tama,

Grundy and Chickasaw. These counties, as stated in BHC GA's by-laws, receive up to 10% of available funds. Mr. Hurley stated BHC GA has funded over 375 projects for a total outlay of \$34.3 million. He pointed out BHC GA rarely funds any project at 100%, the average is 30-33%. Mr. Hurley stated the largest commitment in 2015 was \$1.5 million to the Hartman Reserve Interpretive Center, a pristine, natural area between Waterloo and Cedar Falls. Other projects include body cameras and laptops to the New Hampton Police Department, defibrillators for LaPorte City, fire house and Carriage House renovations in Cedar Falls, a new ambulance for Sumner, and innovative nature space at the Waterloo Public Library. Mr. Hurley stated their largest investment, \$8 million, was in the Sports Complex in downtown Waterloo. The overall project cost approximately \$28 million, and is now spurring additional economic investment. Mr. Hurley stated BHC GA's partnership with IOC Waterloo has never been stronger. He noted approximately a year and half ago the Commission suggested some refined operating principles for the BHC GA. He stated they were in compliance with seven of the nine recommendations at the outset. He advised their financial is now available on the website, and BHC GA used the opportunity to make improvements to the website. With regard to board tenure, he indicated they would be in full compliance by next fiscal year. Mr. Hurley requested approval of their license for another year.

Chair Lamberti thanked Mr. Hurley for BHC GA's compliance with the good governance recommendations.

Hearing no comments or questions regarding the license application, Chair Lamberti requested a motion. Commissioner Kramer moved to renew the license to conduct gambling games to Black Hawk County Gaming Association and renew the license to operate IOC Black Hawk County, Inc. d/b/a Isle Casino Hotel Waterloo as a gambling structure. Commissioner Mertz seconded the motion, which carried unanimously.

Mr. Connelly presented the following contracts for Commission approval:

- Demuth Cleaning Services d/b/a ServPro of Black Hawk County – Cleaning and Restoration Services
- Communications Engineering Company – New Digital Radios

Hearing no comments or questions concerning the contracts, Chair Lamberti requested a motion. Commissioner Mertz moved to approve the contracts as submitted by IOC Waterloo. Commissioner Arnold seconded the motion, which carried unanimously.

Chair Lamberti called on Worth County Development Authority (WCDA)/Diamond Jo Worth, LLC d/b/a Diamond Jo Worth (DJW). Kim Pang, General Manager, introduced Deb Hanson, Chief Financial Officer, of WCDA. Ms. Hanson thanked the staff at DJW for the wonderful partnership and having such a successful business in the rural setting of north Iowa. A packet of information was distributed listing all of the grants from the last year. Ms. Hanson noted that an integral part of their program is the money set aside for education. She stated they work with the five school districts in the county. She pointed out that each graduating senior in Worth County has received in excess of \$7,000. Ms. Hanson requested renewal of the license.

Hearing no comments or questions regarding the license renewal, Chair Lamberti requested a motion. Commissioner Arnold moved to renew the license to conduct gambling games to Worth County Development Authority and renew the license to operate Diamond Jo Worth, LLC d/b/a Diamond Jo Worth as a gambling structure. Commissioner Kramer seconded the motion, which carried unanimously.

Mr. Pang advised the model at DJW has been introduced to their sister property in Kansas, which has proved beneficial to that community. Mr. Pang submitted the following contracts for Commission approval:

- Ainsworth Game Technology – Purchase of Slot Machines, Leases, Conversions and Parts
- Young Plumbing & Heating – Gas Conversion Project

Hearing no comments or questions concerning the contracts, Chair Lamberti requested a motion. Commissioner Arnold moved to approve the contracts as submitted by DJW. Commissioner Kramer seconded the motion, which carried unanimously.

Chair Lamberti called on Washington County Riverboat Foundation (WCRF)/Riverside Casino & Golf Resort, LLC. Dan Franz, General Manager, stated their economic impact for 2015 was just short of \$75 million, which included \$22.5 million in taxes and fees, \$19.4 million in payroll and related expenses, and just under \$19 million for equipment, supplies and services and \$4.1 million in charitable contributions. He stated 98% of their non-gaming, non-specialized purchases were made from Iowa vendors. Mr. Franz indicated they typically have around 700 employees, but the number increases to 750 once the golf course opens for the season. Mr. Franz noted this is the fourth year of the employee volunteer program, Lending Hands, which eclipsed 10,000 volunteer hours in 2015. There were 167 employees who logged volunteer hours.

Mr. Franz stated they are very excited about 2016 at Elite Casinos. In addition to celebrating 25 years of gaming in Iowa, they are also opening a new land-based casino in Davenport, will celebrate their 5-year anniversary in Grand Falls and 10 years at Riverside. He indicated there are many events scheduled at the Riverside facility for the employees, patrons and community members that have helped them to be successful. Mr. Franz stated WCRF is a great non-profit partner, and does great things around the community. He introduced Mark Driscoll, President of WCRF.

Mr. Driscoll stated 2015 was a busy year for WCRF. They received the Commission's request for good governance procedures; and with a few minor changes, WCRF has met all of the recommendations. Board members were already limited to three 3-year terms limits, which was changed to two 3-year term limits. Since inception in 2006, WCRF has had 27 different directors participate on the board, and members must wait one full term before reapplying. They have restricted the number of elected officials who serve on the board to no more than 20%, and currently have one. WCRF has also established a minimum number of board members of at least seven; there are currently 14 and there has never been less than 14. Mr. Driscoll stated board members regularly review and update their Conflict of Interest policies, which are signed at the

annual meeting by every member. He noted WCRF does have a website and their financial information is posted and distributed to the press at every meeting. Mr. Driscoll stated WCRF continually strives to fund grants in Washington County, as well as other counties that strongly support the casino. In 2015, WCRF funded 108 non-profit projects with 30% of those projects going to organizations located outside of Washington County. He stated they have an excellent relationship with the facility, and look forward to continuing it as they have renewed the Operating Agreement for another ten years.

Mr. Franz requested renewal of the license.

Chair Lamberti thanked WCRF for their responsiveness to the Commission's good governance requests.

Hearing no comments or questions concerning the license renewal, Chair Lamberti requested a motion. Commissioner Mertz moved to renew the license to conduct gambling games to Washington County Riverboat Foundation, Inc., renew the license to operate Riverside Casino & Golf Resort, LLC as a gambling structure and approve the facility's revised security plan included in the application. Commissioner Kramer seconded the motion, which carried unanimously.

Chair Lamberti called on Missouri River Historical Development, Inc. (MRHD)/SCE Partners, LLC d/b/a Hard Rock Hotel & Casino Sioux City (Hard Rock). Mark Monson, President of MRHD, noted it has been a wild ride since 2014. He stated that by the end of June they will have granted nearly \$3.9 million to Woodbury County non-profits. He stated MRHD has also approved another \$3 million over the next three fiscal years to go toward economic development in addition to the regular grants. Mr. Monson advised MRHD has changed its by-laws to limit terms to six years with three years off before returning. Their grant policy has been changed to include the five counties that connect with Woodbury County. Mr. Monson stated four board members retired last year, and six new board members were added this year; the process will be repeated over the next three years.

Mr. Monson stated MRHD and Hard Rock are jointly sponsoring quality of life community events to ensure they continue to function in the area. He stated there are significant economic developments taking place in the area. Mr. Monson noted there is a viable energy upon entering the Hard Rock; they are offering entertainment four nights a week. He stated many local bars and nightclubs are also offering local entertainment. Mr. Monson stated Sioux City is becoming an entertainment destination. He stated one of MRHD's goals during the Request for Proposal process for a new operator was amenities, and Hard Rock has succeeded in that area. Mr. Monson requested approval of the license renewal.

Todd Moyer, General Manager, stated the facility just finished its first full year of operation, and has over 525 team members. Salaries, wages and benefits exceeded \$13.5 million; gaming and other taxes totaled \$20 million, and donations through direct contributions to MRHD and personal company donations totaled more than \$4.9 million. He stated Hard Rock hosted more than 200 entertainment events and more than 86,000 guests, which came from 46 different states.

Mr. Moyer stated the facility has received several awards and recognitions – the 4-Diamond rating from AAA, which requires a 3-Diamond rated restaurant. He stated the facility also won the Governor's Office of Tourism Award for the most outstanding attraction in 2015. He requested approval of the license renewal.

Hearing no comments or questions concerning the license renewal, Chair Lamberti requested a motion. Commissioner Heinrich moved to renew the license to conduct gambling games to Missouri River Historical Development, Inc. and renew the license to operate SCE Partners, LLC d/b/a Hard Rock Hotel & Casino Sioux City as a gambling structure. Commissioner Mertz seconded the motion, which carried unanimously.

Mr. Moyer presented the following contracts for Commission approval:

- Glazer's Distributors of Iowa – Beverage Distributor
- Farmers Brothers Co. – Coffee Distributor
- L & L Distributing Co., Inc. – Beverage Distributor

He advised the contracts were with Iowa vendors and totaled \$740,000.

Hearing no comments or questions concerning the contracts, Chair Lamberti requested a motion. Commissioner Kramer moved to approve the contracts as submitted by Hard Rock. Commissioner Mertz seconded the motion, which carried unanimously.

Chair Lamberti called on Scott County Regional Authority (SCRA)/Isle of Capri Bettendorf, L.C. (IOCB). Nancy Ballenger, General Manager, introduced John Nagle, Vice President of SCRA. Mr. Nagle advised SCRA did not have too many changes to make in order to be in compliance with the Commission's good governance recommendations, but did make a couple of minor changes and are in full compliance. He advised since SCRA's inception almost 20 years ago, they have distributed over \$75 million to governments, education and non-profit organizations in the Scott County community. This past year, SCRA received just over \$3 million and awarded 133 grants. Mr. Nagle stated SCRA is collaborating with the City of Bettendorf and the school district to renovate the tennis courts. They are also contributing over \$250,000 to the renovation of some historic buildings in the downtown area. Mr. Nagle noted the Girl Scouts, which serves 20 different counties along the Mississippi River, is renovating facilities for all of the troops and SCRA has contributed \$150,000.

Ms. Ballenger stated April 21st will be the 21st birthday of gaming in Bettendorf and several activities are planned. She noted the property has evolved through the years; they now are the largest hotel in Iowa with 514 rooms, which allows them to bring in larger conventions. She stated they partnered with the city in 2009 to complete the Quad City Riverfront Convention Center, which has 25,000 square feet of meeting space. They are excited to bring the casino off the water into the new land-based space. Ms. Ballenger indicated the project is on track and a late spring or early summer opening is anticipated.

Ms. Ballenger noted that Mr. Ehrecke talked about the various careers in gaming. She advised that approximately 15% of the employees at IOCB have been there twenty or more years. She stated the property works with the local colleges to make sure students are aware of the career opportunities available in the gaming industry. Ms. Ballenger requested renewal of their license.

Hearing no comments or questions concerning the license, Chair Lamberti requested a motion. Commissioner Kramer moved to renew the license to conduct gambling games to Scott County Regional Authority, renew the license to operate Isle of Capri Bettendorf, L.C. as an excursion gambling boat that will not cruise and approve the facility's revised security plan included in the application. Commissioner Heinrich seconded the motion, which carried unanimously.

Ms. Ballenger presented the following contracts for Commission approval:

- Henry Incorporated – Manufacture and Install Signage for New Land-based Casino
- North American Video – Digital Surveillance System for Land-based Casino
- PSX Audiovisual Technologies – Purchase and Install AV Equipment for Land-based Casino

Hearing no comments or questions concerning the contracts, Chair Lamberti requested a motion. Commissioner Heinrich moved to approve the contracts as submitted by IOCB. Commissioner Kramer seconded the motion, which carried unanimously.

Chair Lamberti called on Riverboat Development Authority (RDA)/Rhythm City Casino, LLC. Mo Hyder, General Manager, advised the land-based facility is progressing very well. He indicated the facility is about 81% complete; there are between 250-300 construction workers working on the inside of the building. Barring any further inclement weather, they anticipate a June 16 opening. Mr. Hyder introduced Randy Rathje, President of RDA. He stated the facility has an excellent relationship with RDA and looks forward to continuing that relationship going forward.

Mr. Rathje stated RDA is excited about the opening of the land-based casino. He noted that while the relationship between RDA and the Kehl family is relatively new, they have done everything they said they would. Mr. Rathje stated the partnership is strong and RDA is pleased with the development of the new casino; that it is an imposing structure and is hard to miss when traveling on the I-74 corridor. The facility has spurred other economic development in that area.

With regard to the corporate governance recommendations, Mr. Rathje thanked the Commission for pushing the matter; that it is an issue that is important to him. He advised RDA is in compliance. He requested approval of the license.

Mr. Hyder noted the current facility employs approximately 250, and they are looking to add another 350. He stated there is a lot of excitement in the community about the new land-based facility. He requested approval of the license.

Hearing no comments or questions concerning the license renewal, Chair Lamberti requested a motion. Commissioner Arnold moved to renew the license to conduct gambling games to Riverboat Development Authority and renew the license to operate Rhythm City Casino, LLC as an excursion gambling boat that will not cruise. Commissioner Mertz seconded the motion, which carried unanimously.

Mr. Hyder presented the following contracts for Commission approval:

- Ainsworth Game Technology – Purchase of Slot Machines
- Aristocrat Technologies, Inc. – Purchase of Slot Machines
- Aruze Gaming America, Inc. – Purchase of Slot Machines
- Atmosphere Commercial Interiors – Purchase of Hotel Furniture, Drapes & Bedding and Casino Restaurant Furniture
- CPI (Crane Payment Innovations) – One Time Purchase of Bill Acceptors
- CSI, LLC (Computer Service Innovations) – Purchase of Low Voltage-Cabling Products, Coax Products, Fiber Products and Accessories
- Cummins Allison – Count Room Equipment
- Everi Games, Inc. – Purchase of Slot Machines
- Gaming Partners International USA, Inc. – Purchase of Gaming Tables & Accessories
- Gitchi Gaming, Inc. – Purchase of Gaming Chairs
- IGT – Purchase of Slot Machines and Conversion Kits
- iWireless Center – Suite License Agreement
- JC Millwork, Inc. – Construction – Casework
- Konami Gaming, Inc. – Purchase of Slot Machines
- Lange Sign Group – Purchase of Signs
- Mastercraft Floor Covering – Construction – Floor Coverings
- Midwest Game Supply – Roulette Wheel, Roulette Sign, Gaming Chips
- Scientific Games – Purchase of Slot Machines
- Video Security Specialists – Purchase of Surveillance Equipment
- VSR Industries – Locks for Slot Machines, Tables, and Related Gaming Equipment
- Yates & Yates Glass Co., Inc. – Construction – Furnish All Labor, Material, Equipment and Services to Furnish and Install All Hotel Glass Partitions

Hearing no comments or questions concerning the contracts, Chair Lamberti requested a motion. Commissioner Arnold moved to approve the contracts as submitted by Rhythm City. Commissioner Heinrich seconded the motion, which carried unanimously.

Chair Lamberti called on Dubuque Racing Association, Ltd. (DRA)/Diamond Jo, LLC d/b/a Diamond Jo Casino (DJ). Wendy Runde, General Manager, stated the facility would celebrate the 22nd year of their contract and long-standing relationship with the DRA. She noted that over the course of their contract, the DJ has distributed \$252 million to the county, City of Dubuque and the State of Iowa in taxes, and another \$31.6 million to DRA. Ms. Runde introduced Jesús Avilés, President and CEO of Mystique Casino and DRA.

Mr. Avilés stated DRA could not ask for a better partner. He noted the facility has a program called Diamond Jo Cares where they contribute to non-profit organizations on their own. He stated that in its 31-year existence, the DRA has contributed over \$700 million to the city, state and communities it serves. Mr. Avilés requested approval of the license.

Hearing no comments or questions concerning the license renewal, Chair Lamberti requested a motion. Commissioner Mertz moved to renew the license to conduct gambling games to Dubuque Racing Association, Ltd. and renew the license to operate Diamond Jo, LLC d/b/a Diamond Jo Casino as a gambling structure. Commissioner Heinrich seconded the motion, which carried unanimously.

Ms. Runde submitted the following contracts for Commission approval:

- Rondinelli Music/Audio – Backline Equipment Rental and Backline Equipment Purchase
- Conlon Construction – Construction: Food and Beverage Remodel Project

Hearing no comments or questions concerning the contracts, Chair Lamberti requested a motion. Commissioner Mertz moved to approve the contracts as submitted by DJ. Commissioner Kramer seconded the motion, which carried unanimously.

Chair Lamberti called on the Dubuque Racing Association, Ltd (DRA). Mr. Avilés introduced Brian Southwood, Vice President of Special Projects and Grants, who has been with DRA since day one. He noted the 1980s were a bad time for Dubuque. A group of investors elected to mortgage their homes and started the DRA, and were subsequently granted a license for greyhound racing in 1984 and started racing in 1985. Mr. Avilés stated the DRA Board is different than the other boards; it is licensed as a non-profit and an operator. Mystique Casino is a not-for-profit casino; one of two in Iowa. He reiterated that DRA has contributed over \$700 million to the community; the city has received \$178 million; the county has received \$7.2 million, and over \$42 million has been distributed in grants. Mr. Avilés stated the casino partnered with the Dubuque Corporation to renovate a shopping mall; they were able to attract IBM, who employs 1,350 employees, to the community. He requested approval of the license to continue operating under Iowa Code Section 99F.

With regard to the corporate governance recommendations, Mr. Avilés stated they have done a lot of work on it.

Hearing no comments or questions concerning the license renewal, Chair Lamberti requested a motion. Commissioner Heinrich moved to renew the license to conduct gambling games to Dubuque Racing Association, Ltd., renew the license to operate Dubuque Racing Association, Ltd. as a gambling structure and approve the facility's revised security plan included in the application. Commissioner Kramer seconded the motion, which carried unanimously.

Mr. Avilés submitted the following contracts for Commission approval:

- Aimbridge Hospitality, LLC – Hotel Management Company

- The Buzz Creative Group – Marketing Agency
- Community Foundation of Dubuque – Donor Advised Endowment Fund

Hearing no comments or questions concerning the contracts, Chair Lamberti requested a motion. Commissioner Mertz moved to approve the contracts as submitted by DRA. Commissioner Arnold seconded the motion, which carried unanimously.

Chair Lamberti called on Lyon County Riverboat Foundation, Inc. (LCRF)/Grand Falls Casino Resort, LLC (GFCR). Sharon Hasselhoff, General Manager, and Jerry Stai, Vice President of LCRF, were present to address the license renewal. Ms. Hasselhoff stated 2015 was an excellent year; gaming revenue was \$57.2 million, down slightly from 2014 due to a decrease in promotional credits. She noted 2016 would be an exciting year as it will be the first full year for the golf course, and June will mark their five-year anniversary. Since the facility opened, it has contributed over \$65.4 million in taxes and fees to the State of Iowa, and created over 500 jobs. Last year's annual payroll was \$14.9 million. Ms. Hasselhoff advised that GFCR has an excellent partner in LCRF, and introduced Mr. Stai.

Mr. Stai stated it seems like it was only yesterday that the facility opened. He noted Lyon County has 11,000 residents and two stoplights. The referendum passed with 63%. Mr. Stai stated Lyon County was fortunate to be granted a license. In the past five years, GFCR has kept their word, and LCRF has received over \$2 million per year to distribute. He advised that one-half has gone to the schools and municipalities, and the other half is distributed via grants. Mr. Stai stated LCRF conducts two grant cycles each year, distributing approximately \$500,000 per cycle, and \$1 million to the students and municipalities of Lyon County. He noted there are eight small towns in the county, and five districts. The LCRF is made up of a representative from each town and district. Mr. Stai stated LCRF has a great working relationship with GFCR, and requested renewal of their license.

Hearing no comments or questions concerning the license renewal, Chair Lamberti requested a motion. Commissioner Kramer moved to renew the license to conduct gambling games to Lyon County Riverboat Foundation, Inc., renew the license to operate Grand Falls Casino Resort, LLC as a gambling structure, and approve the facility's revised security plan included in the application. Commissioner Mertz seconded the motion, which carried unanimously.

Ms. Hasselhoff submitted the following contracts for Commission approval:

- Brockway Mechanical – Multistack Repair
- Elite Edge – Promotional Products
- Forward Sioux Falls – Economic Investment Agreement

Hearing no comments or questions concerning the contracts, Chair Lamberti requested a motion. Commissioner Heinrich moved to approve the contracts as submitted by GFCR. Commissioner Kramer seconded the motion, which carried unanimously.

Chair Lamberti called on Clarke County Development Corporation/HGI-Lakeside, LLC (Lakeside). Bob Thursby, General Manager, advised Lakeside had an economic impact of just over \$31 million in the past year. He stated the facility is entering its 16th year of operations. Mr. Thursby requested renewal of their license.

Hearing no comments or questions concerning the license renewal, Chair Lamberti requested a motion. Commissioner Arnold moved to renew the license to conduct gambling games to Clarke County Development Corporation and renew the license to operate HGI-Lakeside, LLC as a moored barge. Commissioner Mertz seconded the motion, which carried unanimously.

Mr. Thursby submitted a contract with C3 PPS, Inc. for booking services for Commission approval.

Hearing no comments or questions concerning the contract, Chair Lamberti requested a motion. Commissioner Heinrich moved to approve the contract as submitted by Lakeside. Commissioner Mertz seconded the motion, which carried unanimously.

Chair Lamberti called on Southeast Iowa Regional Riverboat Commission (SIRRC)/Catfish Bend Casinos II, LLC (CBC). Rob Higgins, General Manager, stated 2015 was a fantastic year as they experienced an 11% increase in revenue. He introduced Steve Staebell, President of SIRRC.

Mr. Staebell stated SIRRC received approximately \$1.4 million from CBC in 2015. He stated the Keokuk Convention and Tourism Board uses their share of the funds for programs and enhancements to their tourism efforts. Last year, those events generated approximately \$275,000 in hotel and motel taxes for the city as well as money used to provide funding for public safety equipment, and parks and recreation facilities. In Fort Madison, the funds are used to provide specific grants for a variety of organizations. Funds have been awarded to assist with economic development through Fort Madison Partners. Other recipients are the Fort Madison United Way, Donnellson Library, a golf course, and continued follow-up grants to the Fort Madison Rec Class and Tri-State Rodeo. In Burlington, the funds are channeled through Grow Greater Burlington for economic development. He listed several businesses which have received funds, which will lead to an increase in the number of employees. Mr. Staebell stated SIRRC has a great relationship with CBC; they are supportive of their operations and attend meetings, and are a good corporate and community citizen. Mr. Staebell stated SIRRC endorsed the license renewal application.

Hearing no comments or questions concerning the license renewal, Chair Lamberti requested a motion. Commissioner Mertz moved to renew the license to conduct gambling games to Southeast Iowa Regional Riverboat Commission and renew the license to operate Catfish Bend Casinos II, LLC as a gambling structure. Commissioner Kramer seconded the motion, which carried unanimously.

Mr. Higgins concurred with Mr. Staebell's comments regarding the relationship between the facility and SIRRC. He stated his belief that most people forget that funds are shared with Fort

Madison and Keokuk. Mr. Higgins submitted a contract with Global Payments, Inc. for the purchase of kiosks for Commission approval.

Hearing no comments or questions concerning the contract, Chair Lamberti requested a motion. Commissioner Mertz moved to approve the contract as submitted by CBC. Commissioner Kramer seconded the motion, which carried unanimously.

Chair Lamberti called on Clinton County Development Association (CCDA)/Wild Rose Clinton, L.L.C. (WRC). Travis Dvorak, General Manager, stated that in addition to economic development and purchasing from Iowa vendors first, WRC has gone beyond that and has gotten their 215 employees involved in the community in various capacities. The facility is also becoming involved in the community through various organizations. Mr. Dvorak stated the CCDA got the facility involved in the Vision 2020 program, which is an economic development group that is looking to generate business from within the state, the country and internationally. Mr. Dvorak introduced Les Shields, a CCDA board member.

Mr. Shields stated CCDA and its predecessor organizations have been continually licensed by the IRGC since January 17, 1991 to conduct casino entertainment in Clinton County, and will be celebrating the 25th anniversary of the first casino cruise on June 12th. He stated the nine member board of directors consists of a diverse and committed group of volunteers who take their license responsibilities seriously. Proceeds from the casino operation have been distributed in the form of grants to local IRS 501(c) not-for-profit organizations for projects in Clinton County and to units of local government in Clinton County, such as the city, schools, law enforcement agencies and fire departments, including significant grants to volunteer fire departments within the county. Mr. Shields stated CCDA's website shows they have committed over \$17 million to local non-profit organizations in Clinton since their inception. It does not show additional projects, such as \$2 million that was committed to the Vision Iowa projects in Clinton in collaboration with money from the State of Iowa. Mr. Shields stated they also committed \$2 million to the Clinton River/Rail/Air Park to attract new industry and business to the west end of Clinton. He noted they recently made a significant contribution to the remodeling of the Eagle Point Lodge in Clinton. The lodge is a historic building built during the first Progress Administration, and the Rotary Club has undertaken an extensive remodeling project.

Mr. Shields stated Iowa Code Section 279.68 requires all school systems to test third grade students in reading comprehension and those students found to be deficient must take a summer reading program, summer school or repeat third grade. He indicated that 20-30% of students in most districts would be identified as deficient. Mr. Shields stated this is an unfunded mandate from the State. He stated CCDA met with the school superintendent and principals to start discussions on how they can help prevent some of the students from falling through the cracks; state law only addresses what is to happen after the fact.

Mr. Shields requested the approval of CCDA's license to operate a casino in order to continue their efforts in funding worthwhile projects in Clinton County.

Chair Lamberti stated he was going to make some comments that are off the license issue. He noted this is the day when the Commission hears all of the good things that gaming does in Iowa through the non-profits. He noted there have been numerous comments about the Commission's voluntary effort on the part of the non-profit organizations to review their good governance procedures. Chair Lamberti stated the items were not pulled out of thin air, but are national principles of good governance and that many non-profit licensees have made changes without any prompting. He noted that in the world of public companies, good governance and the policies that are adopted and how the company is governed are very important. Chair Lamberti stated that after twenty plus years the Commission felt it was appropriate to take these steps and it is within their jurisdiction. He noted Iowa has a unique licensing system as a result of Iowa law, and the Legislature and Governor were very thoughtful in their process. He is not sure they were aware of what they were creating or how unique and effective the system of having the non-profits would be, but it also creates a lot of responsibility. Chair Lamberti stated these are not average non-profits where a group of local business people get together and decide they are going to do good things in their community, then go out and raise the money and are accountable only to themselves.

Chair Lamberti stated non-profits in Iowa exist by virtue of the good graces of the people of Iowa, the Iowa Legislature, the Governor and IRGC, who granted that authority in certain areas; he stated it is a privilege to have that status. He expressed the Commission's extreme displeasure with CCDA's decision to not comply with the Commission's request to adopt the good governance principles they were asked to consider. Noting that he was contacted by some CCDA members; saw some comments in the paper, and the Commission received a letter from legal counsel, he stated he believes some board members have lost track of why CCDA exists and by whose good graces they exist. He stated someone had stated "The Commission should leave us alone." Chair Lamberti reiterated the CCDA exists due to the good graces of the people of Iowa; and has a high fiduciary responsibility. Chair Lamberti stated he had no evidence that any non-profit in Iowa has ever done anything improper; that the Commission's request is not about that. He stated it is about making sure the non-profits govern themselves and stay current with modern principles of good governance so those types of issues don't occur. He pointed out that he serves on a public company and gets tired of spending his time dealing with good governance as opposed to running the company, but the good governance principles are important. Chair Lamberti reiterated the Commission believes the principles are important to keep the non-profits healthy and focused on their responsibility. He stated there are numerous ways for the Commission to address the issue, but asked Mr. Shields to take his comments back to the rest of the CCDA members. Chair Lamberti stated the Commission is asking them to reconsider their decision and to come into compliance sooner rather than later, and certainly before CCDA appears before the Commission at the next license renewal. Chair Lamberti stated the issue is that important to the Commission and that Mr. Shields should convey the Commission's level of concern to his fellow board members.

Chair Lamberti asked if other Commission members wished to comment. Commissioner Heinrich stated he concurred with Chair Lamberti's comments.

Mr. Shields stated he understood the Commission's concerns and would relay them to the rest of the CCDA board. He stated it is only the one section with regard to term limits that CCDA elected not to comply with, and asked if there were additional concerns.

Mr. Ohorilko stated the Commission's concerns were with the term limits and the mandatory time off between terms. Chair Lamberti stated that when looking at governing principles at some of the national organizations, the number one issue is term limits. He reiterated that no one is accusing anyone of doing anything improper. He pointed out CCDA members have tenures of 27 years, 24 years, two with 18 years, 16 years, 15 years, and 11 years. The term limit principles are to avoid entrenchment; he stated he is not making that accusation but it is a concern. Chair Lamberti stated it is the Commission's belief, and that of individuals at the national level, that it is important to bring on new people and new ideas; that it is healthy for an organization to have some turnover in the makeup of the board. He indicated it is not a reflection on the commitment or job of the current members, but is important to have new ways of thinking and new ideas. Chair Lamberti stated the Commission is not trying to have a "one size fits all" but does believe term limits and some time off to allow for that turnover and transition are extremely important.

Commissioner Mertz stated she totally agreed with Chair Lamberti's comments. She stated there is a time when an organization has to look at the big picture; that it doesn't belong to any one person that sits on the board; it belongs to the whole organization. She stated that for the betterment of the community and governance of the CCDA, the board should take the Commission's recommendations under advisement again.

Mr. Shields advised he understood the above was the unanimous position of the Commission.

Hearing no further comments or questions, Chair Lamberti requested a motion regarding the license renewal. Commissioner Heinrich moved to renew the license to conduct gambling games to Clinton County Development Association and renew the license to operate Wild Rose Clinton, L.L.C. as a gambling structure. Commissioner Mertz seconded the motion, which carried unanimously.

Mr. Dvorak presented the following contracts for Commission approval:

- Konami – 12 New Slot Machines and Parts
- Data Direct Services – Direct Mailing and Printing

Hearing no comments or questions concerning the contracts, Chair Lamberti requested a motion. Commissioner Kramer moved to approve the contracts as submitted by WRC. Commissioner Heinrich seconded the motion, which carried unanimously.

Chair Lamberti called on Palo Alto County Gaming Development Corporation (PACGDC)/Wild Rose Emmetsburg, L.L.C. (WRE). Amy Rubel, General Manager, stated 2016 will also mark their facility's 10-year anniversary and special events are planned to mark the occasion. She introduced Don Miller, President of PACGDC.

Mr. Miller thanked the Commission for the opportunity to be part of an organization to promote economic development. He noted PACGDC has term limits in place and he would be leaving the board the following week. He indicated he has enjoyed his time on the board, and was amazed by the grant applications. Mr. Miller stated he appreciated the working relationship between PACGDC and WRE management and staff. He noted the community had started "Help Assist" and a community foundation, Palo Alto Community Foundation under the Northeast Iowa Community Foundation. It is hoped the foundation will serve as a catalyst for donor and scholarship funds for the long-term benefit of the county. Mr. Miller introduced Mary Lee Orr, PACGDC Secretary.

Ms. Orr stated PACGDC has distributed \$15,314,726 and awarded 784 grants since its inception. She noted PACGDC would be holding its annual awards banquet on March 8th, and would be distributing approximately \$1.8 million. Some of the funds will be going to organizations in the surrounding counties. She advised they have good communications with WRE. She requested approval of the license renewal for Wild Rose Emmetsburg.

Commissioner Mertz thanked PACGDC for following the Commission's recommendation on giving awards to the surrounding counties. She stated that when she served in the Legislature, she had to get the Board of Supervisors in the counties of Pocahontas, Humboldt and Kossuth to pass a resolution approving of Emmetsburg getting a gambling license. Commissioner Mertz urged them to continue awarding grants to the surrounding counties.

Hearing no further comments or questions concerning the license renewal, Chair Lamberti requested a motion. Commissioner Kramer moved to renew the license to conduct gambling games to Palo Alto County Gaming Development Corporation and renew the license to operate Wild Rose Emmetsburg, L.L.C. as a gambling structure. Commissioner Mertz seconded the motion, which carried unanimously.

Ms. Rubel presented a contract with Lithia MBDM, Inc. for the purchase of 10 Smart Cars for Giveaway prizes for Commission approval.

Hearing no comments or questions concerning the contract, Chair Lamberti requested a motion. Commissioner Mertz moved to approve the contracts as submitted by WRE. Commissioner Heinrich seconded the motion, which carried unanimously.

Chair Lamberti called on Upper Mississippi Gaming Corporation (UMGC)/Isle of Capri Marquette, Inc. d/b/a Lady Luck Casino Marquette (LLCM). Donald Ostert, General Manager, advised this would be the facility's 21st year of operation; they are one of the largest employers in Clayton County with 198 employees. He stated 16% have been with the facility for fifteen or more years. He introduced Sindee Gohde, Executive Director of UMGC.

Ms. Gohde thanked the Commission for approving the amendment to their contract. She noted UMGC had been locked into small revenues; the amendment will increase their receipts to 3.25%, which will equal approximately \$800,000 per year. This represents a significant increase from the \$140,000 they currently receive. Ms. Gohde advised UMGC has done good things over

the years, just on a smaller scale. She advised UMGC has granted approximately \$5 million with \$1 million going to health and safety. They will continue to do so; but also hope to branch out into tourism to help attract more visitors to Clayton County. Ms. Gohde stated UMGC and LLCM have a very good relationship. She advised UMGC is in compliance with the good governance recommendations. She noted some board members were disgruntled, but she reminded them the Commission grants the license and advised they should comply. Ms. Gohde requested approval of the license renewal.

Hearing no comments or questions concerning the license renewal, Chair Lamberti requested a motion. Commissioner Arnold moved to renew the license to conduct gambling games to Upper Mississippi Gaming Corporation and renew the license to operate Isle of Capri Marquette, Inc. d/b/a Lady Luck Casino Marquette as an excursion gambling boat that will not cruise. Commissioner Kramer seconded the motion, which carried unanimously.

Chair Lamberti called on IWRA d/b/a Horseshoe Casino Council Bluffs regarding their modified security plan. Janae Sternberg, Director of Finance, requested approval of the modified security plan as presented to the Commission.

Chair Lamberti noted there has been a significant amount of discussion over the past months regarding security plans and the Commission has allowed some modifications. He thanked everyone for their hard work on the matter, noting the Commission would be monitoring the plans going forward.

Hearing no further comments or questions, Chair Lamberti requested a motion. Commissioner Heinrich moved to approve the modified security plan as submitted by IWRA d/b/a Horseshoe Casino Council Bluffs. Commissioner Mertz seconded the motion, which carried unanimously.

Chair Lamberti called on the Iowa Greyhound Association d/b/a Iowa Greyhound Park, and their request for the approval of their season approvals for the 2016 live race meet. Nick Mauro, legal counsel, requested approval for the 32nd racing season in Dubuque. He concurred with Mr. Avilés' comments regarding the economic issues in Dubuque in the early 1980's, and would like to think that greyhound racing played a significant role in helping to resolve the issues and formed the basis for what the Iowa Greyhound Association currently has with the City of Dubuque. He introduced Brian Carpenter, General Manager and Director of Racing.

Mr. Carpenter requested approval of the season approval request. Live racing will occur between May 14, 2016 and October 22, 2016 with four performances per week for a total of 96 performances with 15 races per performance. Post times will be at 6:30 PM on Wednesday and Friday, and 1:00 PM on Saturday and Sunday. Additional performances will be held on May 30, July 4 and September 5 with a post time of 1:00 PM.

Hearing no further comments or questions regarding the season approvals, Chair Lamberti requested a motion. Commissioner Mertz moved to approve the 2016 Season Approvals for the Iowa Greyhound Association d/b/a Iowa Greyhound Park with the following conditions:

- The immediate written notification of any change in racing official positions.
- The completion of necessary IRGC licensing and DCI background checks of officials.
- The import and export contracts should continue to have the review and approval by staff to insure regulatory compliance.
- Continuous review of racetrack maintenance issues and monitoring of injuries in cooperation with IRGC representatives.
- Walk through by IRGC staff to ensure all equipment is in working order and the facility is ready to accept the greyhounds.
- Approved security plan by staff.

Commissioner Kramer seconded the motion, which carried unanimously.

Mr. Carpenter presented the following contracts for Commission approval:

- Dubuque Racing Association – Service Contract
- United Healthcare – Health Insurance for Full-time Employees
- Roberts Communications – Equipment and Services for Sending Simulcast Signal for Live Races
- American Teletimer – Photo Finish and Timer Equipment
- ROSNET – Specialized Racing Software

Hearing no comments or questions concerning the contracts, Chair Lamberti requested a motion. Commissioner Kramer moved to approve the contracts as submitted by the Iowa Greyhound Association d/b/a Iowa Greyhound Park. Commissioner Heinrich seconded the motion, which carried unanimously.

As there was no Public Comment, Chair Lamberti moved to Administrative Business and called on Mr. Ohorilko. Mr. Ohorilko advised the annual economic impact reports were due to the Commission's office by mid-February. He noted the reports are prepared by the facility and are unaudited by the Commission, but feels they give a good indication of the economic impact of gaming and racing in Iowa. Mr. Ohorilko advised the reports show \$274 million in payroll and related expenses, over \$393 million in gaming taxes or other payable taxes, and the total economic impact in Iowa related to gaming was approximately \$1.2 billion, a significant increase from the previous year. In terms of the Buy Iowa initiative, the percentage of dollars spent in Iowa was 88.5%, an increase from last year. If gaming equipment and other goods and services that need to be purchased outside of Iowa are deducted, expenditures with Iowa vendors were 95%. Mr. Ohorilko stated the following facilities reached the 95% mark in purchases from Iowa vendors: Ameristar, Catfish Bend Casino, Diamond Jo, Diamond Jo Worth, Grand Falls Casino Resort, Horseshoe, IOC Waterloo, Lady Luck Marquette, Prairie Meadows, Riverside, Wild Rose Clinton and Wild Rose Jefferson. He noted information was received from the Iowa Greyhound Association, which showed 89% of expenditures were made with Iowa vendors, and without purses, it would be 100%.

Mr. Ohorilko gave notice of the Horse Promotion Fund, advising there is \$1,270.57 available for distribution in FY 2016. Applications for the funds must be submitted to the Commission's Des Moines office by 3:30 PM on April 1st. Recipients of the funds for FY 2015 are required to submit a written accounting of how the funds were utilized, and an affidavit stating none of the funds were spent on any political activity or an attempt to influence legislation.

Mr. Ohorilko advised the purse allocation at PMR&C for 2016 would be as follows: Thoroughbreds - \$14,187,112; Quarter Horses - \$2,846,756.03; and Harness - \$1,633,384.61. He noted purse calculations are based on gaming revenues from the previous calendar year at PMR&C.

Chair Lamberti called for any other business to come before the Commission. Commissioner Mertz stated she found it hard to believe it has been 25 years since she was in her first year in the Legislature and cast the 51st vote for riverboat gambling. She stated she feels it has been beneficial for the State of Iowa. Commissioner Mertz indicated her belief that one of the reasons gambling works so well in Iowa and there is no crime connected to the industry is because of the non-profit organizations and the casinos working together. She stated it was her language that created the County Endowment Fund to provide gaming funds to those counties without a gaming facility in their county. She offered her congratulations to all of the facilities.

Hearing no further comments, Chair Lamberti requested a motion to adjourn. Commissioner Mertz moved to adjourn. Commissioner Kramer seconded the motion, which carried unanimously.

MINUTES TAKEN BY:

JULIE D. HERRICK